

Item No. 319.

The Act of October 21, 1942 provides that property destroyed or seized after December 7, 1941, in the course of military or naval operations by the United States, shall be deemed to have been destroyed or seized on a date chosen by the taxpayer which falls between the latest date on which it was known that the property was in existence and the earliest date on which such property may be considered as already destroyed or seized. The statute also sets up the method of computing the amount of the loss. Certain of these provisions terminated on January 1, 1951, while the termination date of certain other provisions is uncertain. CIA feels that in view of the nature of its activities, this statute should be retained on a permanent basis and that consideration should be given to broadening the term "military or naval operations" to include such activities as would permit its personnel to continue within these provisions.

RECOMMENDATION SHEET

Replying to Bureau of the Budget Letter and Memorandum dated November 8, 1951.

(PLEASE READ LETTER AND MEMORANDUM BEFORE EXECUTING)

1. Agency _____ 2. Item No. 319) See
 Replying Central Intelligence Agency or) Memo
 U.S.Code) Para.
 Citation _____) 10

3. For this item this agency is (Indicate by "x"; see Memorandum Para. 10):
 the Responsible Agency (); a Commenting Agency (); Other (x).

4. Citation in full (See NOTE A and Memorandum Para. 10):

5. Digest (See NOTE A and Memorandum Para. 10):

6. Recommendation of this agency (Indicate which by "x"):
 CONTINUE (x); DO NOT Continue ()
 the authority now existing.

7. Brief justification for Congress of the recommendation in 6. if that recommendation is affirmative (See NOTE B and Memorandum Para. 10):

8. Reasons and views (The only time you need not answer here is when the justification in 7. states your views to your full satisfaction; see Memorandum Para. 10).

This should be retained on a permanent basis, and consideration should be given to broadening the term "military or naval operations".

9. Suggested legislative language for continuing the authority (See NOTE B and Memorandum Para. 10):

NOTE A (Applicable to lines 4 and 5): Answers on lines 4 and 5 are required from you for this item if (a) you are the Responsible Agency for this item (whether or not you desire your authority continued) or (b) this item is not on the List of Statutes and you desire your authority continued.

NOTE B (Applicable to lines 7 and 9): Answers on lines 7 and 9 are required from you for this item if you desire your authority continued and (a) you are the Responsible Agency for this item or (b) this item is not on the List of Statutes.

To be sent to the Bureau of the Budget in DUPLICATE. For more space, see Memorandum Para. 9E.